

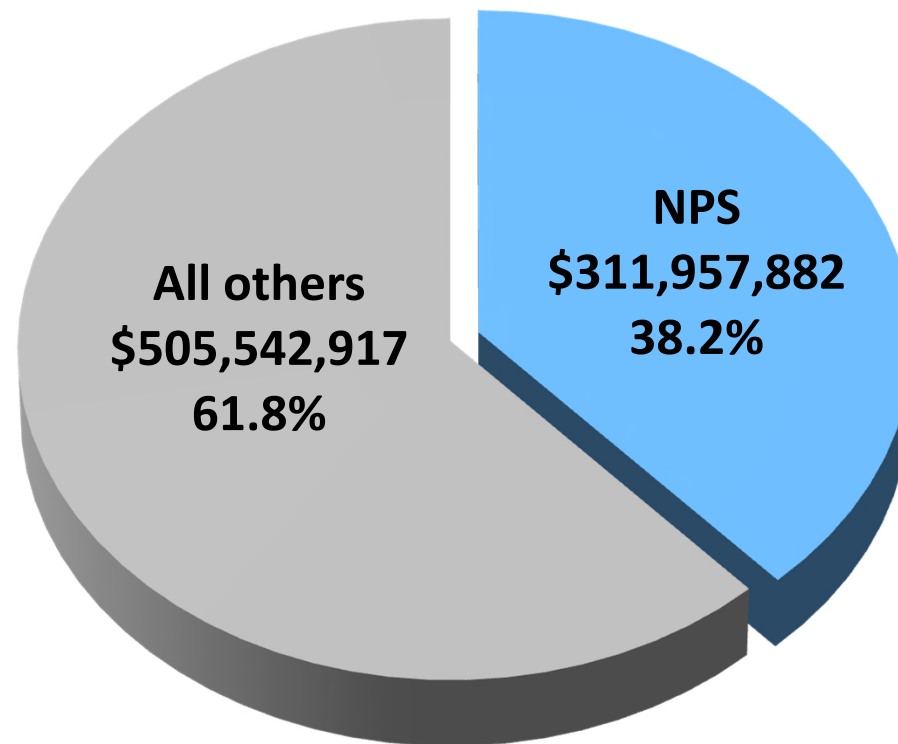
Norfolk's Commitment to Excellence in Education

January 12, 2014

NPS Funding Support

NPS is more than 1/3 of the city's General Fund budget

Total FY 2014 General Fund Budget = \$817.5 million

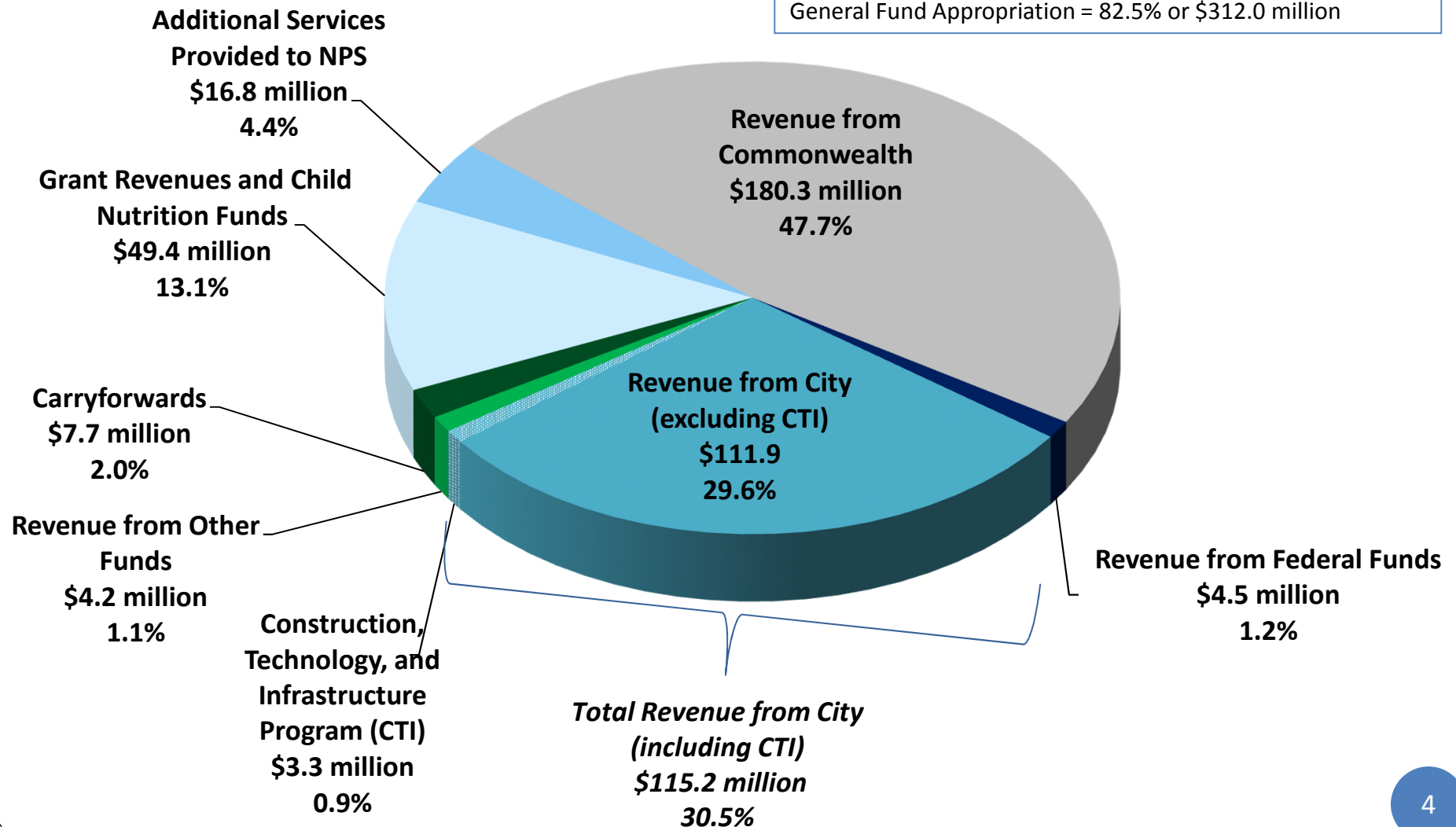


The schools amount does not include the additional services provided to NPS valued at \$16.8 million or Grant Revenues and Child Nutrition Funds valued at \$49.4 million

NPS Total FY 2014 Support

NPS FY 2014 Total Support = \$378.1 million

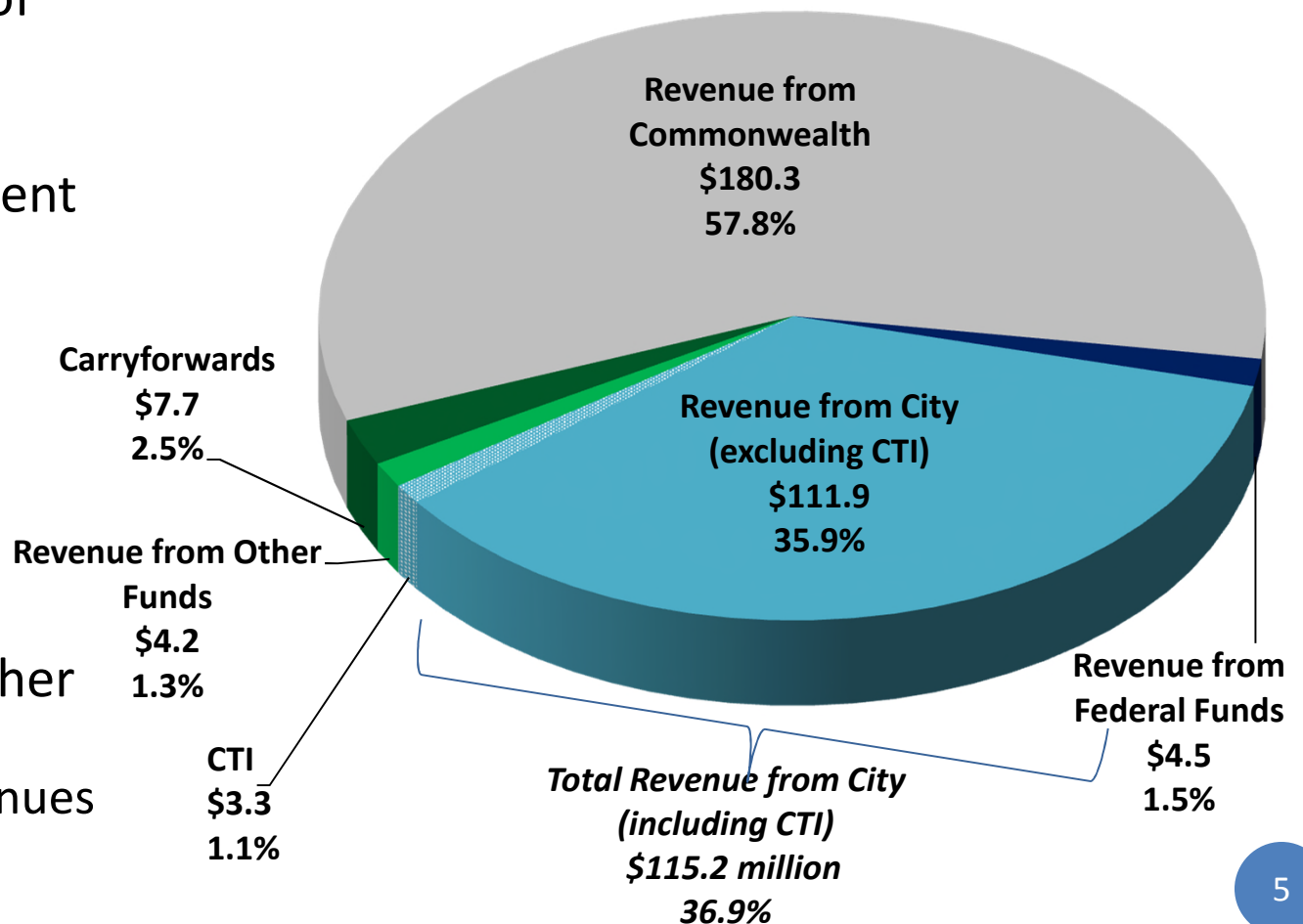
General Fund Appropriation = 82.5% or \$312.0 million



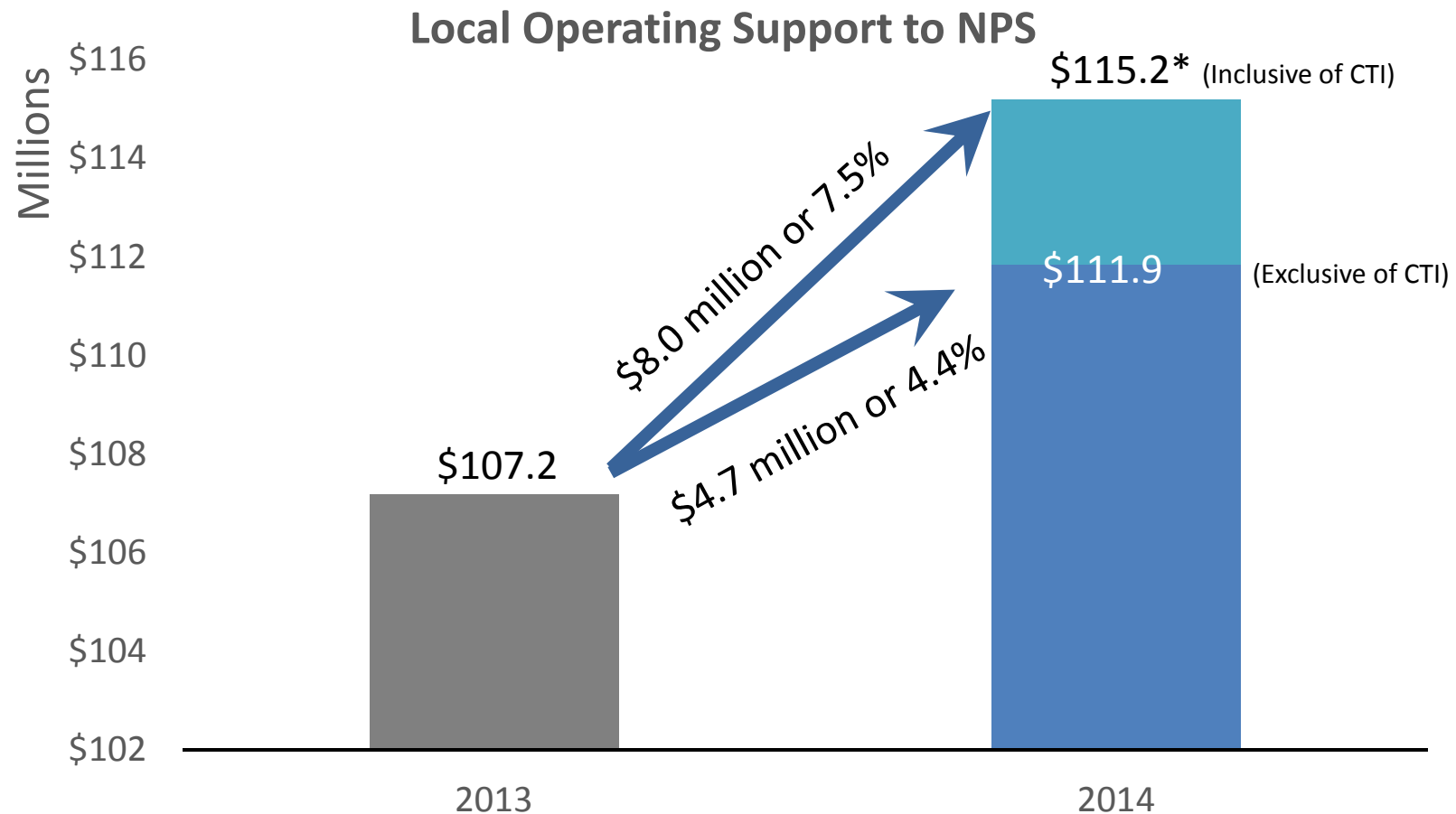
City support is almost 37 percent of NPS' overall FY 2014 Operating Budget

- Commonwealth of Virginia
- Federal Government
- City of Norfolk
 - CTI
- Carryforwards
- Revenue from Other Funds
 - Local Fees/Revenues

NPS FY 2014 Operating Budget = \$312.0 million



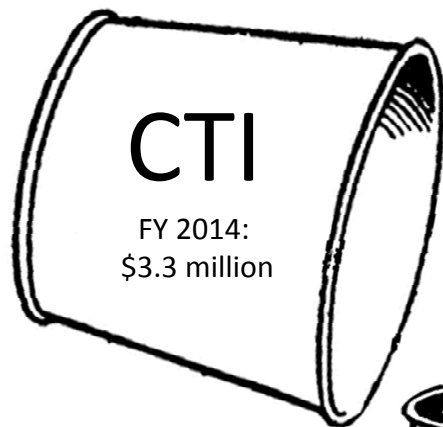
The city's total contribution increased by \$8.0 million in FY 2014



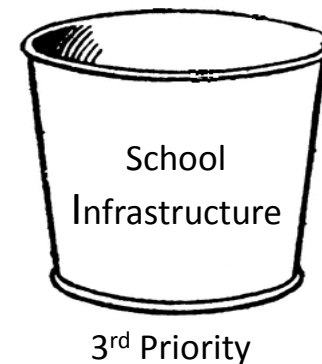
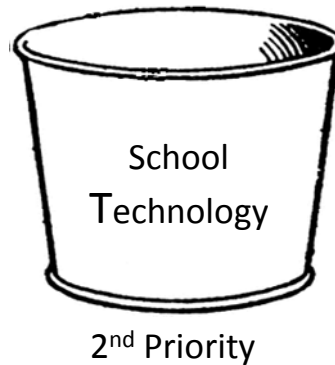
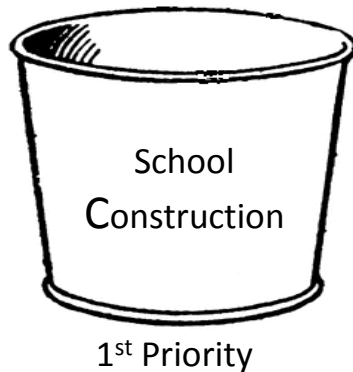
*includes \$3.3 million for the Construction, Technology, and Infrastructure (CTI) Program

Source: City of Norfolk Approved FY 2014 Budget

Two-cents dedicated to the Construction, Technology, and Infrastructure (CTI) program



- Dedicated revenue source for CTI from two-cent real estate tax increase
 - Lockbox: \$3.3 million annually
 - Potential to increase overtime



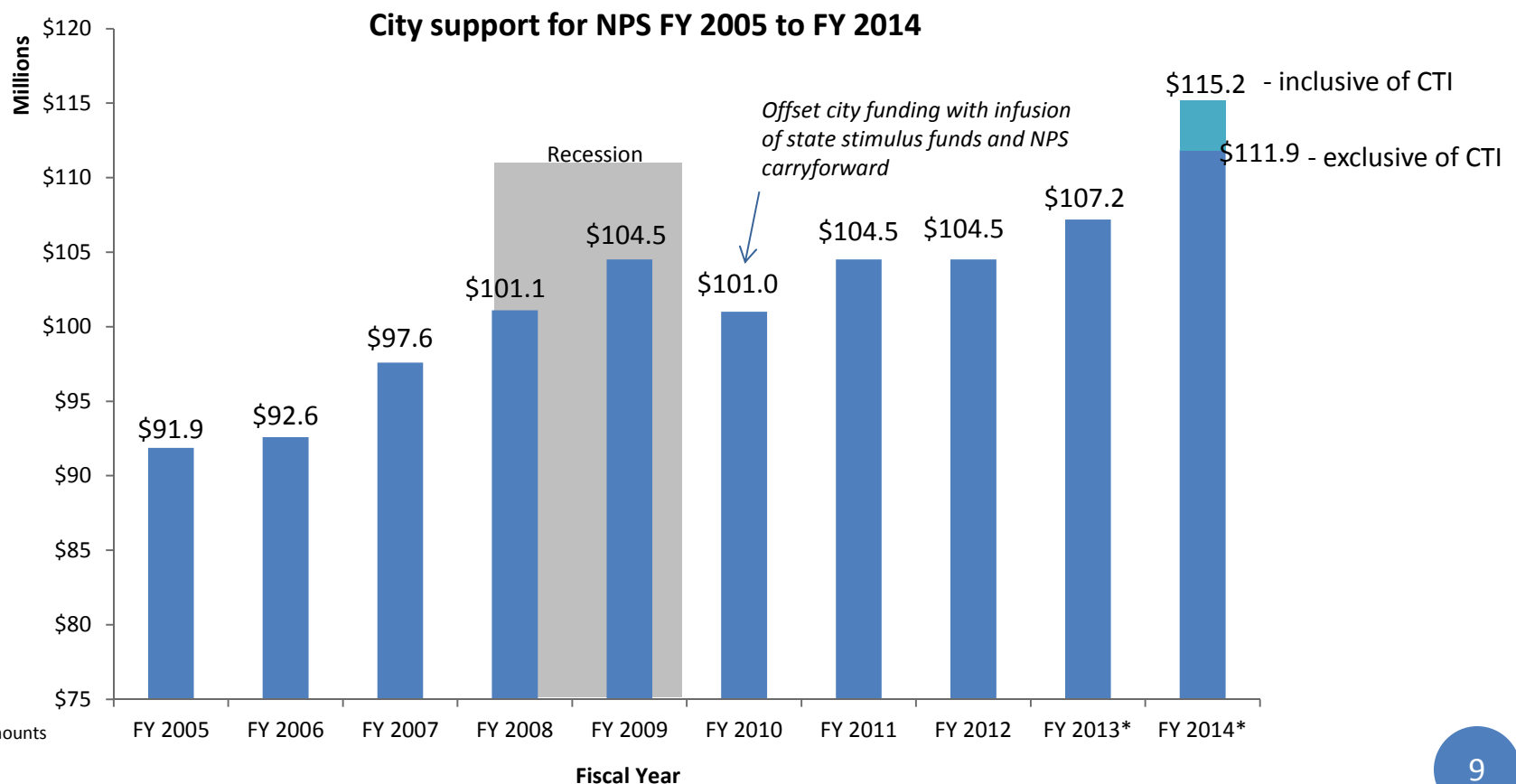
Additional support for NPS that is not included in the \$115.2 million provided by the city

Additional City Support for NPS		
	FY 2013 Approved	FY 2014 Approved
Ongoing School Maintenance	\$3,000,000	\$3,000,000
Debt Service for School Construction and School Buses	\$9,300,000	\$9,927,106
School Resource Officers	\$721,584	\$733,093
School Crossing Guards	\$570,002	\$550,063
School Nurses (Norfolk Public Health)	\$670,000	\$467,299
Facility Maintenance	\$1,266,200	\$1,300,000
Grounds Maintenance	\$698,800	\$690,000
Total City Support	\$16,226,586	\$16,760,267

Source: City of Norfolk Approved FY 2014 Budget

Even during the Great Recession city support for NPS did not wane

- City support has increased by 25.4 percent or \$23.3 million since FY 2005 (inclusive of CTI)
- City support has increased by 21.8 percent or \$20.0 million since FY 2005 (exclusive of CTI)

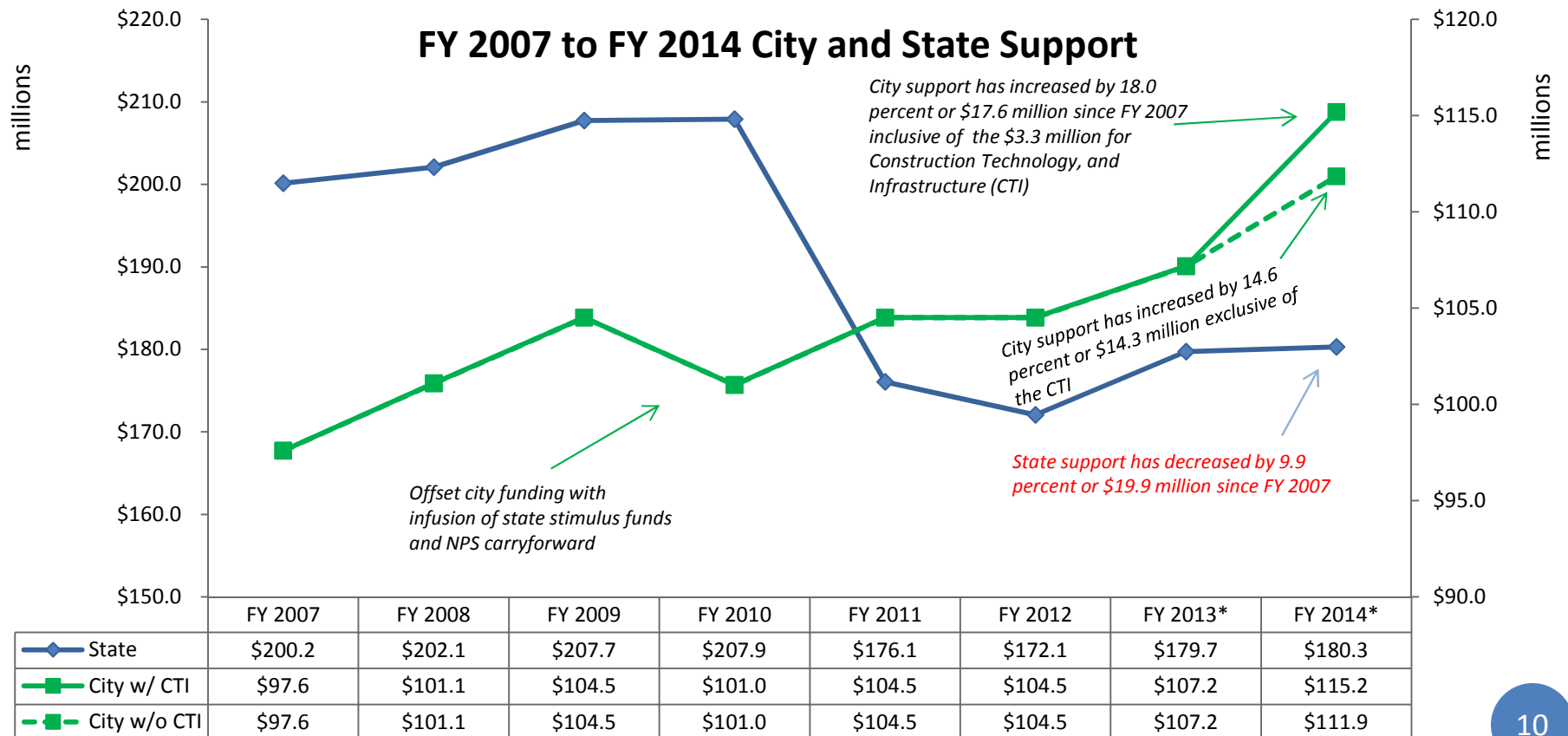


Source: City of Norfolk Approved Budgets

A look at city and state support

FY 2007 – FY 2014

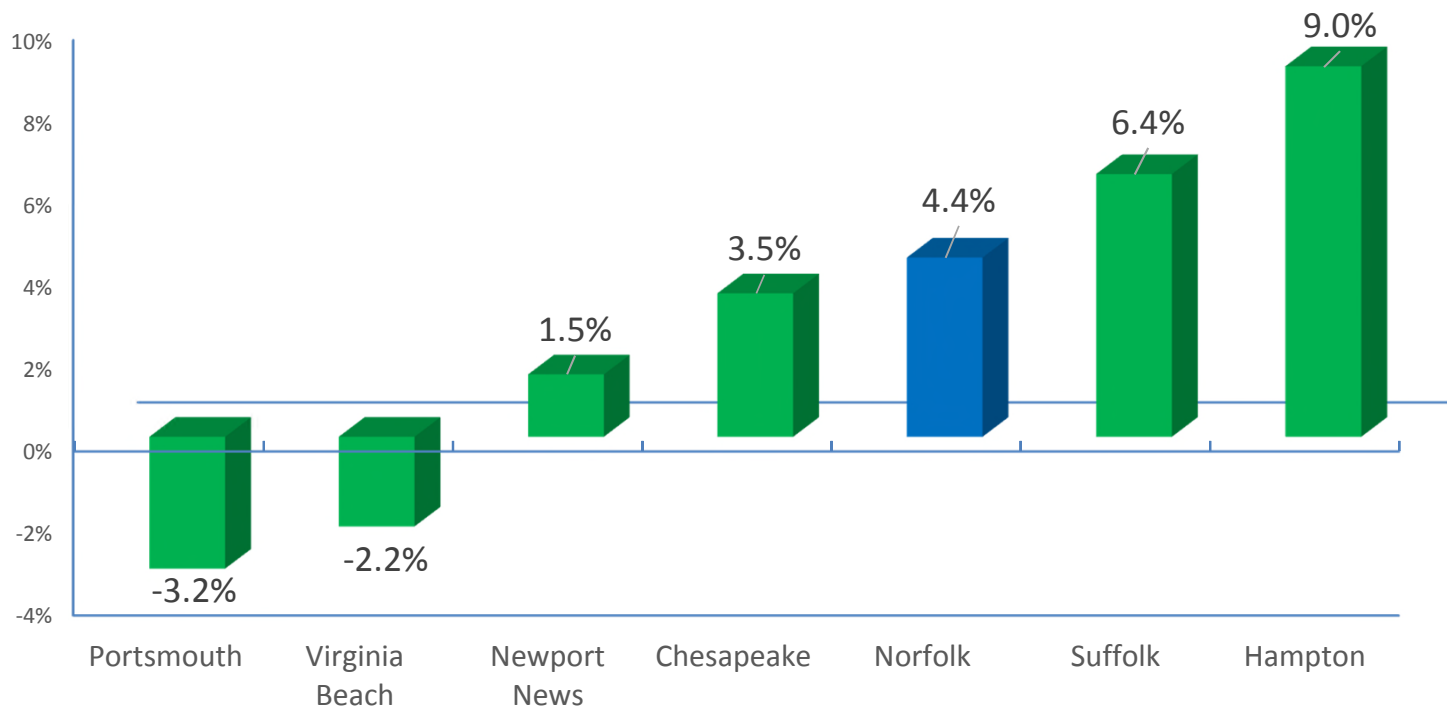
- The city's increase in school support is greater than the commonwealth's from FY 2007 to FY 2014
- Norfolk's ADM has decreased by 9.5 percent or 3,124 from FY 2007 to FY 2014



*Budget Amounts Source: City of Norfolk Approved Budgets

A regional comparison: local support from FY 2013 to FY 2014

Percentage Change in Local Contribution to Schools
from 2013 to 2014

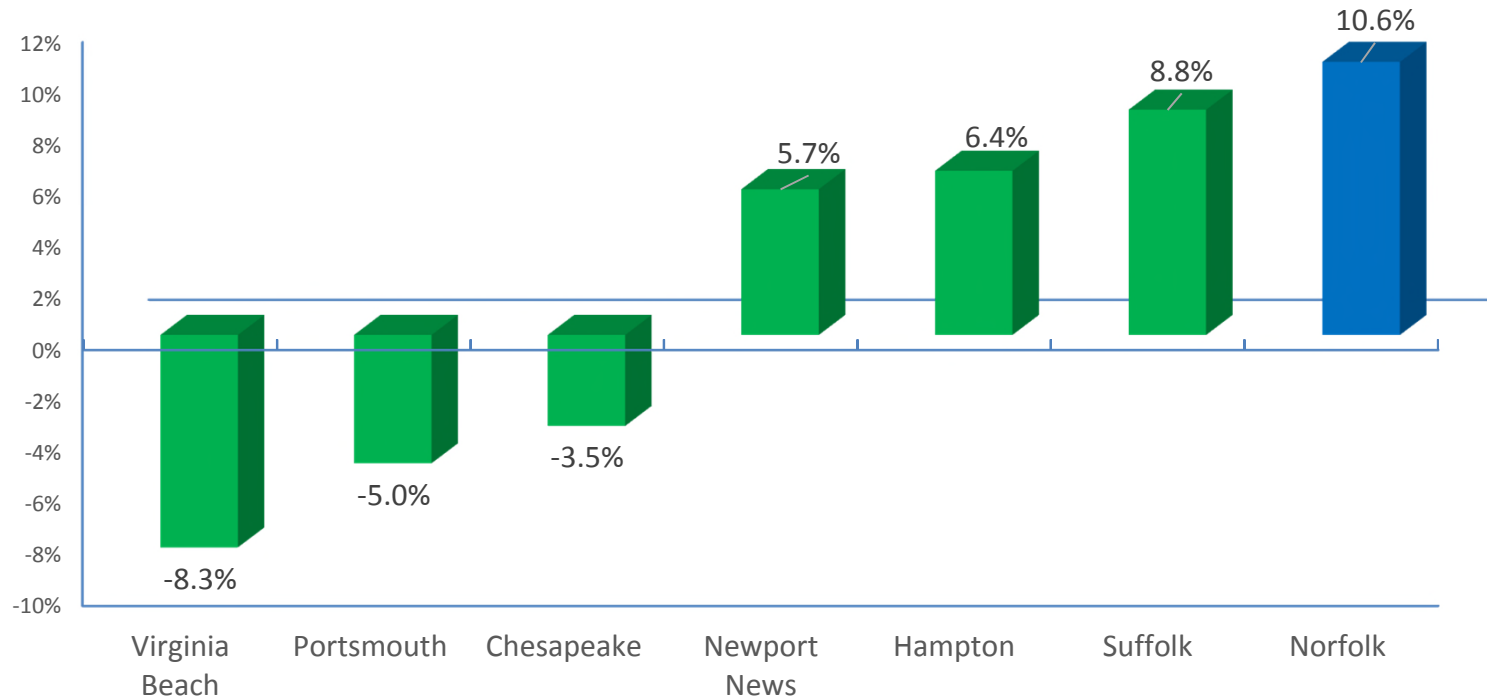


For a similar comparison across localities, the CTI funds provided by the City of Norfolk, the debt service and technology funds provided to schools by the City of Virginia Beach and the debt service and grounds maintenance funds provided to schools by the City of Newport News are removed from the calculation.

Source: Data from FY 2013 to FY 2014 Approved Budgets. Analysis by the City of Norfolk's Office of Budget and Grants Management.

A regional comparison: local support from FY 2008 to FY 2014

Percentage Change in Local Contribution to Schools
from 2008 to 2014



For a similar comparison across localities, the CTI funds provided by the City of Norfolk, the debt service and technology funds provided to schools by the City of Virginia Beach and the debt service and grounds maintenance funds provided to schools by the City of Newport News are removed from the calculation.

Source: Data from FY 2008 to FY 2014 Approved Budgets. Analysis by the City of Norfolk's Office of Budget and Grants Management.

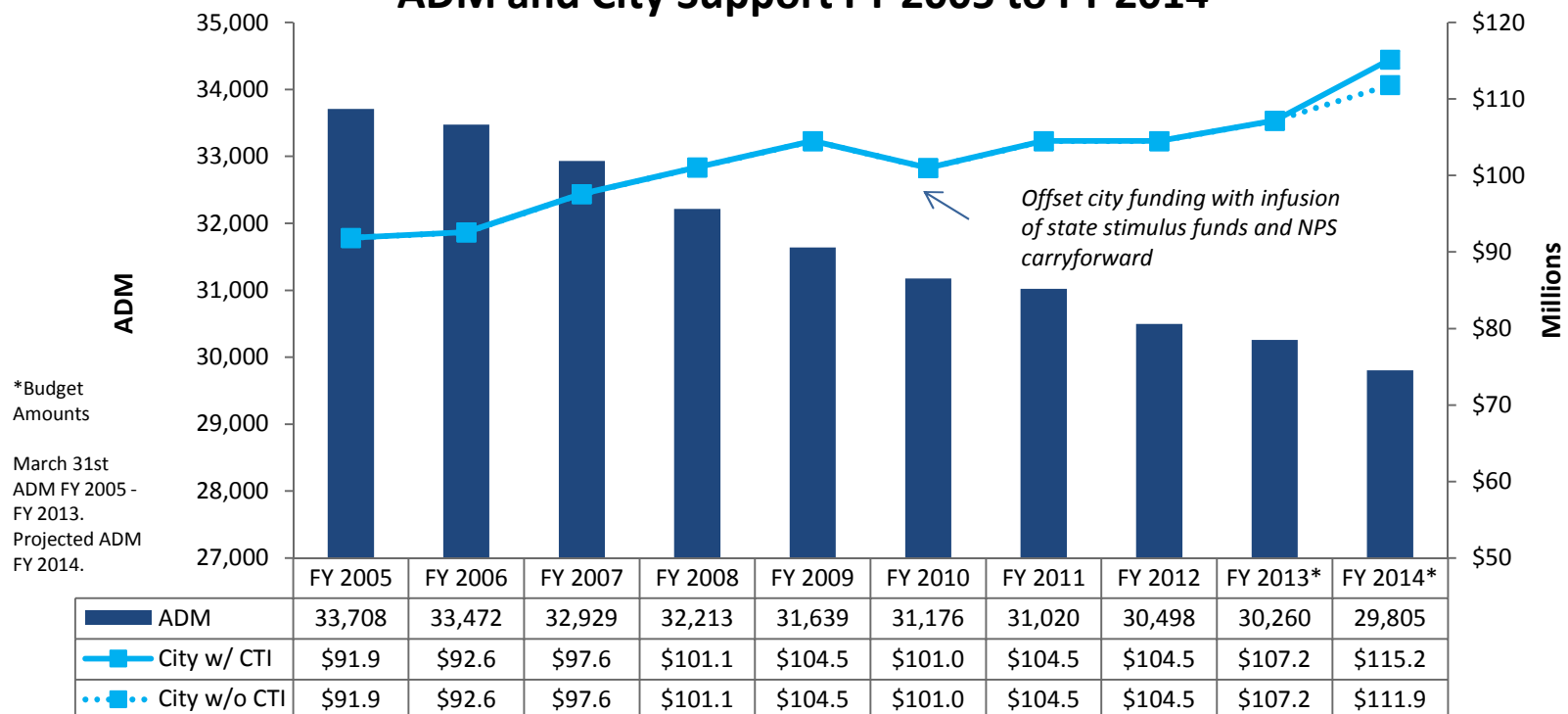
How does the number of students impact funding?

- Average Daily Membership (ADM) is the student enrollment count that drives most state funds for education.
- As enrollment declines so does state support.
- **The city's contribution is not tied to enrollment and has increased even as NPS educates fewer students.**

Over the last ten years ADM has decreased by almost 4,000 students and city support has increased by over \$23 million

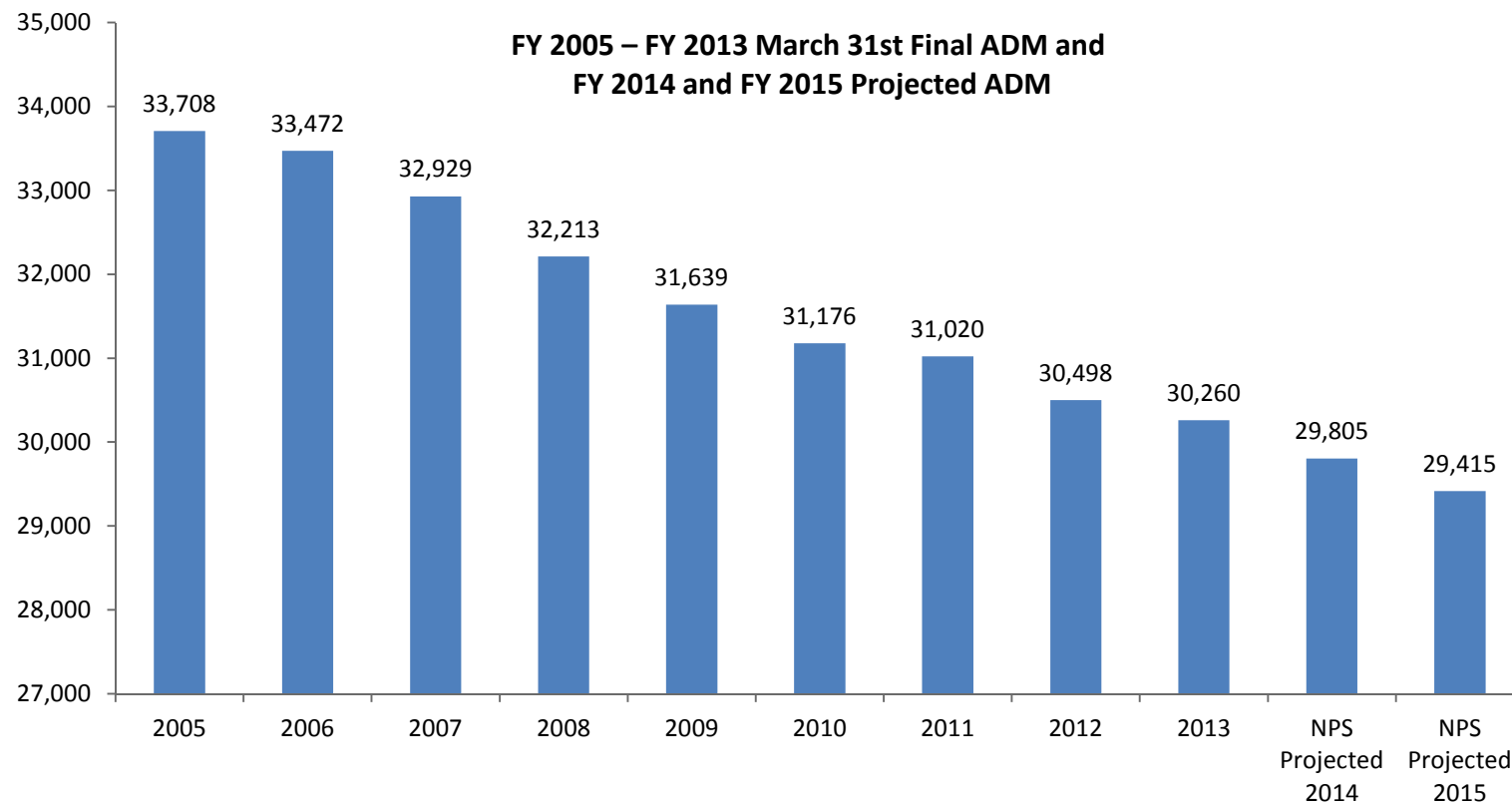
- City support has increased by 25.4 percent or \$23.3 million since FY 2005 (inclusive of CTI)
- City Support has increased by 21.8 percent or \$20.0 million since FY 2005 (exclusive of CTI)
- Norfolk's ADM has decreased by 11.6 percent or 3,903 from FY 2005 to FY 2014

ADM and City Support FY 2005 to FY 2014



NPS enrollment continues to decline

- NPS enrollment has declined by 12.7 percent or 4,293 students from 2005 to 2015



Source: Virginia Department of Education 2005 – 2013, Norfolk Public Schools (NPS) FY 2014 Approved Budget, and NPS FY 2014 School Board Presentation – January 8, 2014

Student Enrollment varies significantly throughout the division

NPS Fall Membership 2013-2014 School Year				
	Minimum Enrollment	Maximum Enrollment	Average Enrollment	Total Student Enrollment
Pre-K (Berkley-Campostella Early Childhood Center & Easton Preschool)	161 <i>Berkley/Campostella EEC</i>	172 <i>Easton</i>	167	333
Pre-K - 8 Schools (Ghent K - 8 and Crossroads Pre-K - 8)	515 <i>Ghent</i>	870 <i>Crossroads (Pre -K-7 for 2013-2014)</i>	693	1,385
Elementary Schools (Pre-K - 5)	220 <i>Willoughby</i>	847 <i>Little Creek</i>	537	16,639
Middle Schools (6 - 8)	624 <i>Lafayette-Winona</i>	1,243 <i>Blair</i>	911	6,377
High Schools (9 - 12)	1,214 <i>Booker T. Washington</i>	1,988 <i>Granby</i>	1,573	7,863
Grand Total				32,597

Source: Virginia Department of Education (VDOE).

School Infrastructure and Capital

NPS Facilities

- 33 elementary schools
- 8 middle schools
- 5 high schools
- 2 preschools
- 3 special purpose schools
- 4 other school facilities

School Infrastructure

- The city supports improvements of Norfolk Public Schools (NPS) infrastructure in its Capital Improvement Plan (CIP)
- The average age of NPS facilities adjusted for renovations or additions is 41 years

Approved FY 2014 Capital Improvement Plan

Approved FY 2014 Five-Year Capital Improvement Plan (CIP) (in millions)								
Project	Prior Funding	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	Five-Year Plan Total	Total
School #1 (Crossroads) Complete in FY 2012	\$29.4						-	\$29.4
Campostella	\$4.7	\$12.3	\$5.0				\$17.3	\$22.0
Broad Creek Area	\$4.7	\$12.3	\$5.0				\$17.3	\$22.0
Larchmont				\$2.2	\$14.8	\$5.0	\$22.0	\$22.0
Oceanview				\$2.2	\$14.8	\$5.0	\$22.0	\$22.0
Subtotal	\$38.9	\$24.6	\$10.0	\$4.4	\$29.6	\$10.0	\$78.6	\$117.5
Major Maintenance		\$3.0	\$3.0	\$3.0	\$2.0	\$2.0	\$13.0	\$13.0
School Athletics Support Buildings		\$1.0					\$1.0	\$1.0
Camp Allen Elementary (20% paid by city, 80% reimbursable by Department of Defense)		\$4.0	\$17.0	\$7.7			\$28.7	\$28.7
Support new Governor's school			\$0.3				\$0.3	\$0.3
Grand Total	\$38.9	\$32.6	\$30.3	\$15.1	\$31.6	\$12.0	\$121.5	\$160.4

Statewide school construction costs

- Virginia Department of Education notes square foot construction cost prices in Northern Virginia are typically higher, while prices in the Southside and Tidewater have been historically lower than the state average
- Cost data includes the cost of construction, site development, water systems, sewage disposal, built-in equipment, and demolition
- Cost data does not include architecture and engineering fees, value engineering, construction management fees, cost of site, loose equipment, and furniture

Average school construction costs statewide

Annual Cost Data for New School Construction ¹						
Source: Virginia Department of Education (VDOE) - School Construction Cost Data						
Types of Schools	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 ⁴
Combined or other schools²						
Average Construction Cost	n/a	n/a	\$15,976,900	\$28,402,000	\$56,600,000 ³	\$36,656,745
Average of Total Cost/Sq.Feet			\$179	\$200	\$221	\$294
Number of Schools	n/a	n/a	2	1	1 complex	1
Elementary						
Average Construction Cost	\$16,548,127	\$14,532,394	\$15,377,000	\$16,140,655	\$14,958,373	n/a
Average of Total Cost/Sq.Feet	\$171	\$164	\$162	\$175	\$174	n/a
Average of Total Cost/Pupil	\$20,022	\$21,421	\$21,407	\$19,861	\$22,287	n/a
Number of Schools	4	6	3	6	7	n/a
Middle						
Average Construction Cost	\$29,625,733	\$23,096,667	n/a	n/a	\$26,661,855	\$17,757,753 ⁵
Average of Total Cost/Sq.Feet	\$184	\$142	n/a	n/a	\$182	\$141
Average of Total Cost/Pupil	\$27,891	\$18,978	n/a	n/a	\$31,490	n/a
Number of Schools	4	3	n/a	n/a	3	1
High School						
Average Construction Cost	\$59,068,933	n/a	\$57,487,333	\$73,922,790	\$56,477,501	\$56,876,495
Average of Total Cost/Sq.Feet	\$210	n/a	\$199	\$211	\$216	\$211
Average of Total Cost/Pupil	\$32,529	n/a	\$32,706	\$36,961	\$36,515	\$31,124
Number of Schools	5	n/a	3	1	4	3

¹Data does not include A&E, value engineering, construction management fees, cost of site, loose equipment and furniture

²Includes K-8 schools. Crossroads construction cost of \$24.3 million is included in FY 2011 data.

³FY 2013 combined or other school project is a Middle, High, and Career Center complex in Dickenson County

⁴FY 2014 data is preliminary. Final report will not be generated until June 30, 2014

⁵PPEA – Middle School is Montgomery County

Planned FY 2014 Major Maintenance Projects

Each fiscal year prior to the distribution of Capital Improvement Program Major Maintenance funds to Norfolk Public Schools (NPS), NPS provides a list of **planned projects** to the city.

FY 2014 NPS Planned Major Maintenance Projects		
School/Facility	Project Description	Estimated Cost
Azalea Gardens Middle	Replace Gymnasium Bleachers	\$50,000
Lake Taylor High	Replace Built-up Roof Phase 2	\$1,537,000
Lake Taylor Middle	Replace Gymnasium Bleachers	\$50,000
Lake Taylor Middle	Masonry Point-up	\$450,000
Tidewater Park Elementary	Replace Built-up Roof	\$505,000
Granby High	Upgrade Closed-circuit television	\$248,000
Norview High	Resurface Track	\$160,000
	FY 2014 Total	\$3,000,000

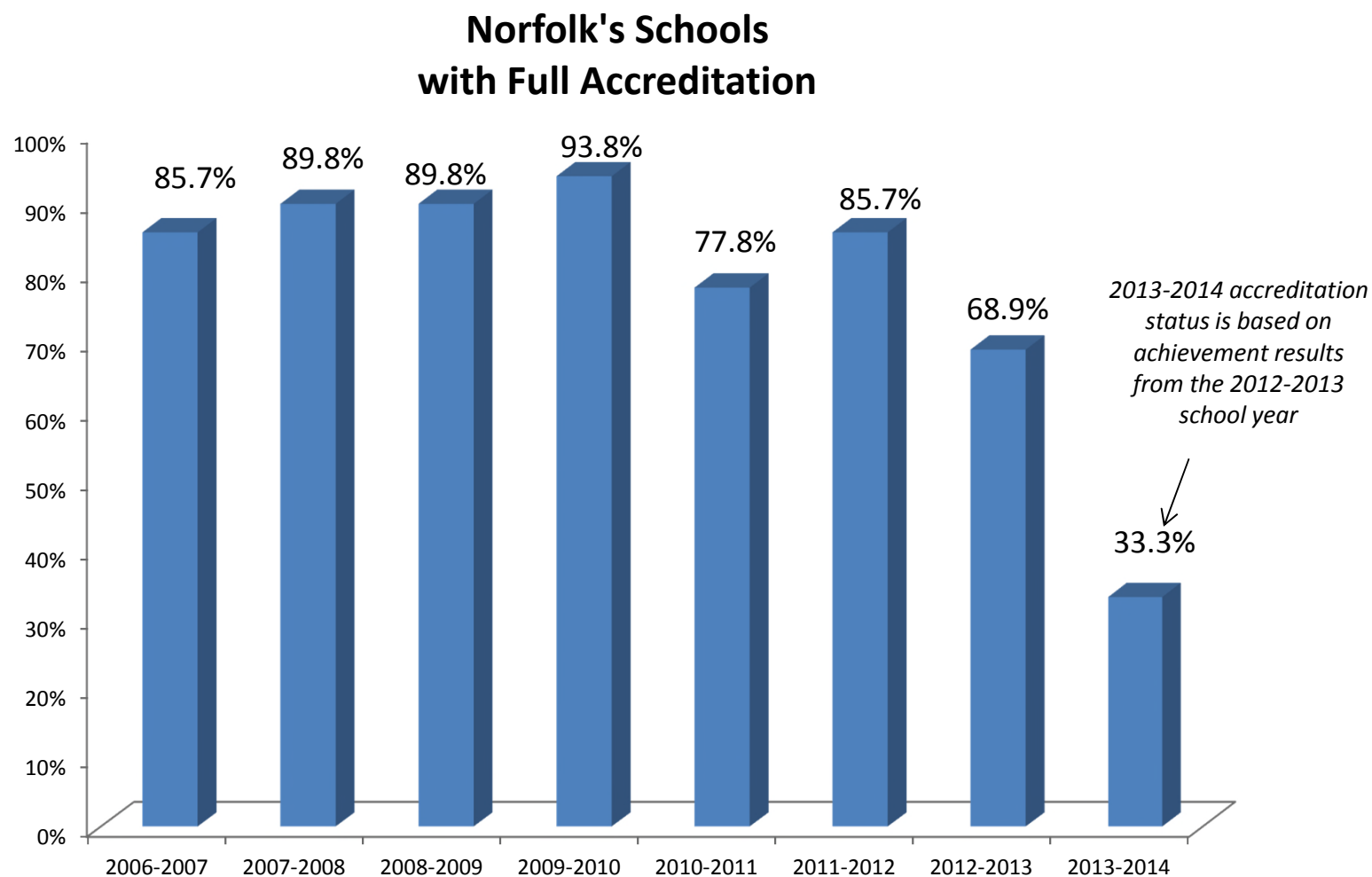
Academics

FY 2014 Accreditation

2012-2013 and 2013-2014 Accreditation Ratings						
(based on the 2011-2012 and 2012-2013 school year)						
	2012-2013		2013-2014		Prior Year Comparison	
Accreditation Rating	Number of Schools	Percent of Schools	Number of Schools	Percent of Schools	Number of Schools	Percentage Change
Fully Accredited	31	68.9%	15	33.3%	-16	-51.6%
Accredited with Warning	10	22.2%	27	60.0%	17	170.0%
Accreditation Denied	2	4.4%	3	6.7%	1	50.0%
Provisionally Accredited-Graduation Rate	1	2.2%	0	0.0%	-1	-100.0%
Conditionally Accredited	1	2.2%	0	0.0%	-1	-100.0%
Total Schools	45	100.0%	45	100.0%		

Source: Virginia Department of Education 2013

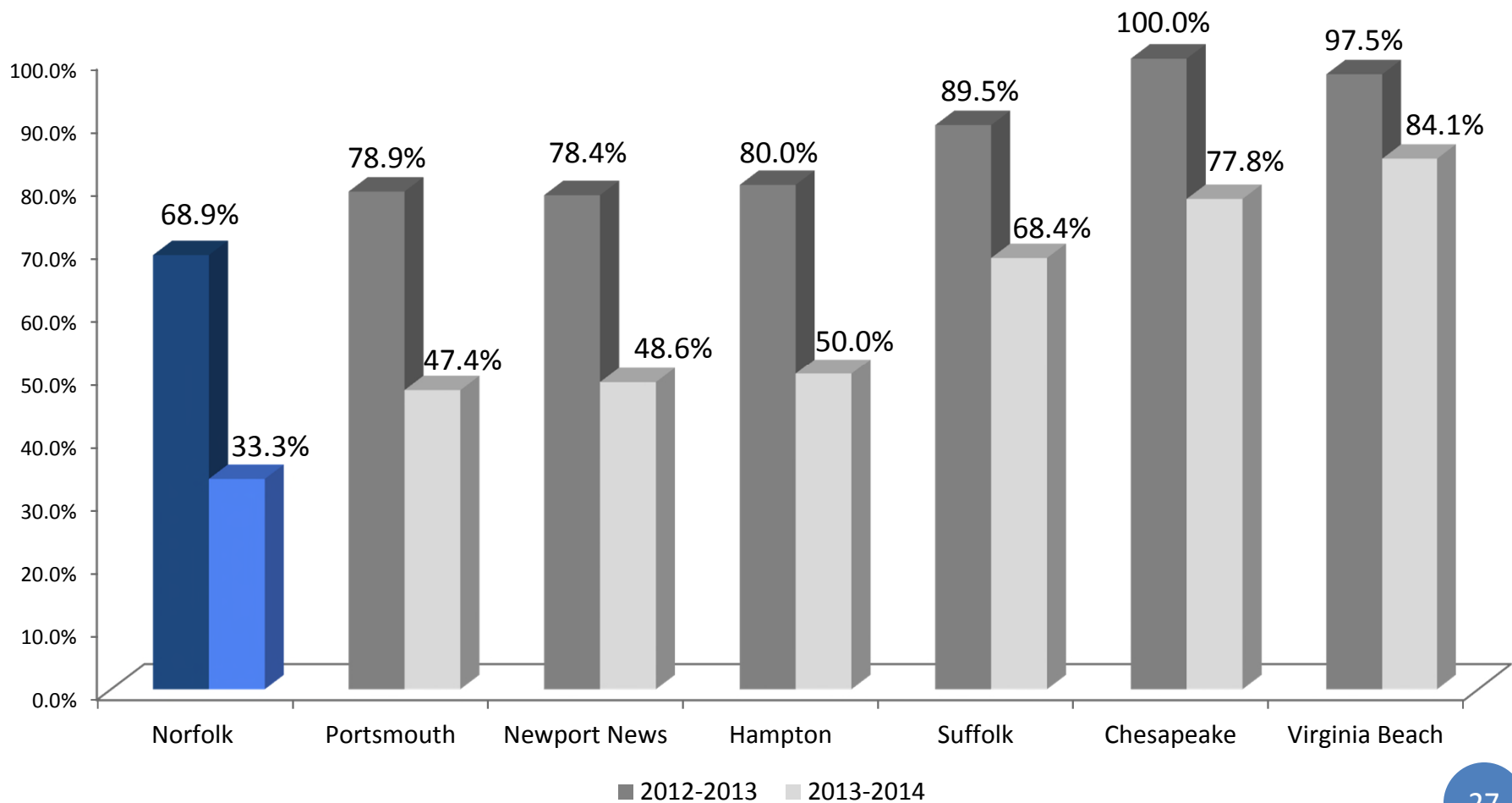
Full Accreditation History



Source: Virginia Department of Education 2006-2013

Regional Comparison Full Accreditation

**Regional Comparison Percentage of Schools with Full Accreditation
2012-2013 and 2013-2014**



Source: Virginia Department of Education 2012-2013

Appendix

Approved FY 2013 Capital Improvement Plan (CIP)

Approved FY 2013 Five-Year Capital Improvement Plan (CIP) (in millions)								
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Broad Creek Area	\$4.7		\$12.3	\$5.0			\$17.3	\$22.0
Larchmont					\$2.2		\$2.2	\$2.2
Oceanview					\$2.2		\$2.2	\$2.2
Subtotal	\$38.9	-	\$24.6	\$10.0	\$4.4	-	\$39.0	\$77.9
Major Maintenance		\$3.0	\$3.0	\$3.0	\$3.0	\$2.0	\$14.0	\$14.0
Support CTE		\$0.5					\$0.5	\$0.5
Support Governor's School for the Arts		\$0.3					\$0.3	\$0.3
Grand Total	\$38.9	\$3.8	\$27.6	\$13.0	\$7.4	\$2.0	\$53.8	\$92.7

NPS FY 2014 Accreditation - Full Accreditation

FY 2014 Fully Accredited

Bay View Elementary
Crossroads School
Ghent K-8
Granby High
Larchmont Elementary
Larrymore Elementary
Mary Calcott Elementary
Matthew Fontaine Maury High
Northside Middle
Norview High
Ocean View Elementary
Sewells Point Elementary
Tarrallton Elementary
Walter Herron Taylor Elementary
Willoughby Elementary

NPS FY 2014 Accreditation – Accredited with Warning

FY 2014 Accredited with Warning

Azalea Gardens Middle
Blair Middle
Booker T. Washington High
Camp Allen Elementary
Campostella Elementary
Chesterfield Academy Elementary
Coleman Place Elementary
Fairlawn Elementary
Granby Elementary
Ingleside Elementary
Jacox Elementary School
James Monroe Elementary
Lake Taylor High
Lake Taylor Middle

Little Creek Elementary
Norview Elementary
Norview Middle
Oceanair Elementary
P.B. Young, Sr. Elementary
Poplar Halls Elementary
Richard Bowling Elementary
Sherwood Forest Elementary
St. Helena Elementary
Suburban Park Elementary
Tanners Creek Elementary
Tidewater Park Elementary
Willard Model Elementary

NPS FY 2014 Accreditation – Accreditation Denied

FY 2014 Accreditation Denied

Lafayette-Winona Middle

Lindenwood Elementary

William H. Ruffner Middle